



## Filing Receipt

**Received - 2022-08-04 02:16:05 PM**  
**Control Number - 53601**  
**ItemNumber - 293**

**SOAH DOCKET NO. 473-22-2695  
PUC DOCKET NO. 53601**

<b>APPLICATION OF ONCOR ELECTRIC DELIVERY COMPANY LLC FOR AUTHORITY TO CHANGE RATES</b>	<b>§ § §</b>	<b>BEFORE THE PUBLIC UTILITY COMMISSION OF TEXAS</b>
---	----------------------	--

**RESPONSE OF ONCOR ELECTRIC DELIVERY COMPANY LLC  
TO COMMISSION STAFF'S TENTH REQUEST FOR INFORMATION**

TO THE HONORABLE PUBLIC UTILITY COMMISSION OF TEXAS:

Oncor Electric Delivery Company LLC ("Oncor") files this Response to the  
aforementioned requests for information.

**I.  
Written Responses**

Attached hereto and incorporated herein by reference are Oncor's written responses to the aforementioned requests for information. Each such response is set forth on or attached to a separate page upon which the request has been restated. Such responses are also made without waiver of Oncor's right to contest the admissibility of any such matters upon hearing. Oncor hereby stipulates that its responses may be treated by all parties exactly as if they were filed under oath.

**II.  
Inspections**

In those instances where materials are to be made available for inspection by request or in lieu of a written response, the attached response will so state. For those materials that a response indicates are voluminous, materials will be provided in electronic format through an Oncor FTP file sharing site upon request. Requests for voluminous materials should be directed to [Regulatory@oncor.com](mailto:Regulatory@oncor.com). To review materials that a response indicates may be inspected at their usual repository, please call Joni Price at 214-486-2844. Inspections will be scheduled so as to accommodate all such requests

with as little inconvenience to the requesting party and to company operations as possible.

Respectfully submitted,

**ONCOR ELECTRIC DELIVERY COMPANY LLC**

By: /s/ Tab R. Urbantke

Tab R. Urbantke  
State Bar No. 24034717  
Lauren Freeland  
State Bar No. 24083023  
Hunton Andrews Kurth LLP  
1445 Ross Avenue, Suite 3700  
Dallas, Texas 75202  
214.979.3095  
214.880.0011 (fax)  
turbantke@HuntonAK.com  
lfreeland@HuntonAK.com

Matthew C. Henry  
Senior Vice President, General Counsel,  
and Secretary  
Oncor Electric Delivery Company LLC  
1616 Woodall Rodgers Freeway  
Dallas, Texas 75202  
matt.henry@oncor.com

**ATTORNEY FOR ONCOR ELECTRIC  
DELIVERY COMPANY LLC**

**CERTIFICATE OF SERVICE**

It is hereby certified that a copy of the foregoing has been served by email on all parties of record who have provided an email address, on this the 4<sup>th</sup> day of August, 2022, in accordance with the Commission's Second Order Suspending Rules issued on July 16, 2020, in Project No. 50664.

/s/ Tab R. Urbantke

**Request**

Please provide the location -- by schedule, by Bates page number, and by FERC account -- where Oncor included amounts relating to mobile generation in its request for rates in this docket. Explain in detail and show any calculations as necessary.

**Response**

The following response was prepared by or under the direct supervision of W. Alan Ledbetter, the sponsoring witness for this response.

Please see Attachment 1 to this response for the requested information, including schedule, workpaper, Federal Energy Regulatory Commission account, and Bates page number references, as well as narrative explanatory information.

**ATTACHMENT:**

ATTACHMENT 1 – Mobile Generation – HB 2483 and PURA Sec. 39.918, Seven Mobile Generators Leased Beginning 12-31-2021, 1 page.

The following files are not convertible:

10-01\_Att\_1.xlsx

Please see the ZIP file for this Filing on the PUC Interchange in order to access these files.

Contact [centralrecords@puc.texas.gov](mailto:centralrecords@puc.texas.gov) if you have any questions.

**Request**

Refer to Schedule II-B-1 Page 4 of 6 (Bates page 2755) and to the response to Question No. Staff 5-4. Please explain what amount of depreciation or amortization expense Oncor included in its request rates relating to the adjustment of \$3,146,147 to FERC Account No. 362.

**Response**

The following response was prepared by or under the direct supervision of W. Alan Ledbetter, the sponsoring witness for this response.

Oncor did not request depreciation or amortization expense on rate filing package ("RFP") Schedule II-E-1 (Bates pages 2984-2987) related to the capital lease treatment of the mobile generation investment of \$3,146,147. Please see the direct testimony of Dane A. Watson, page 9, lines 12 through 22 (Bates page 733) describing the exclusion of the \$3.2 million of mobile generator right of use leased assets from the depreciation study. Also, please reference WP/II-E-1/02 (Bates page 4608) that reflects the exclusion of the \$3,146,147 mobile generation investment in the calculation of depreciation and amortization expense shown on RFP Schedule II-E-1.

Oncor's requested recovery of the mobile generator leasing costs is included in operation and maintenance ("O&M") expense in Federal Energy Regulatory Commission account 589-Rents. Please see WP/II-D Adjustment/32 (Bates page 4451) for the annual O&M expense for leasing costs of \$449,450 requested in rates.

**Request**

Refer to Schedule II-B-1 Page 4 of 6 (Bates page 2755) and to the response to Question No. Staff 5-4. Please show the present value calculations that Oncor performed relating to the adjustment of \$3,146,147 to FERC Account No. 362. Please explain and justify all inputs and assumptions used in the calculation.

**Response**

The following response was prepared by or under the direct supervision of W. Alan Ledbetter, the sponsoring witness for this response.

See Attachment 1 to this response for the present value calculation Oncor performed that supports the adjustment of \$3,146,147 to FERC Account 362 Station equipment. This adjustment for the capital lease right-of-use asset is an aggregate of seven mobile generation units leased by Oncor as of December 31, 2021. The leasing of the seven mobile generation units is treated as a capital lease transaction for ratemaking purposes pursuant to Public Utility Regulatory Act ("PURA") § 39.918 - UTILITY FACILITIES FOR POWER RESTORATION AFTER WIDESPREAD POWER OUTAGE.

The inputs used in the present value calculation are based on the contractual lease terms. In addition, Oncor's estimated incremental borrowing rate at the time of the valuation was used as the discount rate in the present value calculation consistent with US generally accepted accounting principles.

**ATTACHMENT:**

ATTACHMENT 1 – Oncor Mobile Generation ROU Asset Calculation, 6 pages.

The following files are not convertible:

10-03\_Att\_1.xlsx

Please see the ZIP file for this Filing on the PUC Interchange in order to access these files.

Contact [centralrecords@puc.texas.gov](mailto:centralrecords@puc.texas.gov) if you have any questions.



**Request**

Please explain whether Oncor has included any amounts for mobile generation as operations and maintenance expense in its request for rates. If so, please provide:

- a. The location -- by schedule, by Bates page number, and by FERC account -- of all such amounts;
- b. A narrative explanation of the nature of the costs;
- c. A calculation of the amount requested rates, with an explanation of all inputs and assumptions used in the calculation and a detailed explanation of justification of any inputs and assumptions; and,
- d. An explanation of how much of the cost Oncor expects to recur on an annual basis.

**Response**

The following response was prepared by or under the direct supervision of Keith Hull and W. Alan Ledbetter, the sponsoring witnesses for this response.

Please see Attachment 1 of Oncor's response to Staff RFI Set No. 10, Question No. 10-01 filed in this docket, for the requested information regarding operation and maintenance expense associated with the mobile generation facilities requested in base rates.

Oncor expects the costs in its requested rates to recur on an annual basis for the original seven mobile generation units leased in 2021. Oncor expects to incur incremental costs above the amounts in its requested rates because, to date, Oncor has leased an additional eight mobile generation units since the 2021 test-year-end (*i.e.*, 15 total to date). The amounts Oncor included in its request to change rates also do not include costs to deploy and operate the mobile generation units in response to a widespread power outage. As authorized in Public Utility Regulatory Act § 39.918(i), Oncor will defer for recovery in a future ratemaking proceeding the incremental operating costs and the return, not otherwise recovered in a rate proceeding, associated with the leasing or procurement, ownership, and operation of the mobile generation facilities.

**Request**

Please explain whether Oncor has included any amounts for mobile generation as prepayments in its request for rates. If so, please provide:

- a. The location -- by schedule, by Bates page number, and by FERC account -- of all such amounts;
- b. A narrative explanation of the nature of the costs;
- c. A calculation of the amount requested rates, with an explanation of all inputs and assumptions used in the calculation and a detailed explanation of justification of any inputs and assumptions; and,
- d. An explanation of how much of the cost Oncor expects to recur on an annual basis.

**Response**

The following response was prepared by or under the direct supervision of W. Alan Ledbetter and Ashley Thenmadathil, the sponsoring witnesses for this response.

Oncor had no prepayments related to leased mobile generation assets at test-year end, December 31, 2021, and has not included any amounts for mobile generation as prepayments in its Docket No. 53601 request.

**Request**

Please explain whether Oncor has included any amounts for mobile generation as regulatory assets in its request for rates. If so, please provide:

- a. The location -- by schedule, by Bates page number, and by FERC account -- of all such amounts;
- b. A narrative explanation of the nature of the costs;
- c. A calculation of the amount requested rates (including any amounts in rate base and any amounts as amortization expense), with an explanation of all inputs and assumptions used in the calculation and a detailed explanation of justification of any inputs and assumptions; and,
- d. An explanation of how much of the cost Oncor expects to recur on an annual basis.

**Response**

The following response was prepared by or under the direct supervision of W. Alan Ledbetter, the sponsoring witness for this response.

Pursuant to Public Utility Regulatory Act ("PURA") § 39.918, "(t)he commission shall authorize a transmission and distribution utility to defer for recovery in a future ratemaking proceeding the incremental operations and maintenance expenses and the return, not otherwise recovered in a rate proceeding, associated with the leasing or procurement, ownership, and operation of the facilities." As described on pages 68-69 of Mr. Ledbetter's direct testimony (see Bates pages 633-634), as of the end of the 2021 test year, Oncor had deferred \$26,088 in incremental legal expenses related to the leasing of the mobile generation facilities. As authorized, Oncor continues to defer for recovery incremental operations and maintenance expenses and the return, not otherwise recovered in a rate proceeding, associated with the leasing or procurement, ownership, and operation of the facilities.

Please see Attachment 1 to Oncor's response to Staff RFI Set No. 10, Question No. 10-01 filed in this docket, for the requested information regarding regulatory assets associated with the mobile generation assets.

The annual regulatory asset amortization of \$5,218 reflected in Attachment 1 to Oncor's response to Staff RFI Set No. 10, Question No. 10-01 filed in this docket, will continue over the requested five-year recovery period.

**Request**

Refer to Question No. Staff 10-1 regarding mobile generation. For each line item (by FERC account) identified pertaining to mobile generation, please provide:

- a. A narrative explanation of the nature of the costs;
- b. A calculation of the amount requested rates, with an explanation of all inputs and assumptions used in the calculation and a detailed explanation of justification of any inputs and assumptions; and,
- c. An explanation of how much of the cost Oncor expects to recur on an annual basis.

**Response**

The following response was prepared by or under the direct supervision of Keith Hull and W. Alan Ledbetter, the sponsoring witnesses for this response.

Please see Attachment 1 to Oncor's response to Staff RFI Set No. 10, Question No. 10-01 filed in this docket, for the requested information regarding costs associated with the mobile generation facilities requested in base rates in this proceeding.

Oncor expects the costs in its requested rates to recur on an annual basis for the original seven mobile generation units leased in 2021. Oncor expects to incur incremental costs above the amounts in its requested rates because, to date, Oncor has leased an additional eight mobile generation units (*i.e.*, 15 total units to date). The amounts Oncor included in its request to change rates also do not include costs to deploy and operate the mobile generation units in response to a widespread power outage. As authorized in Public Utility Regulatory Act § 39.918(i), Oncor will defer for recovery in a future ratemaking proceeding the incremental operating costs and the return, not otherwise recovered in a rate proceeding, associated with leasing or procurement, ownership, and operation of the mobile generation facilities.